

**DEPARTMENT OF HEALTH SERVICES**

714/744 P Street
P.O. Box 942732
Sacramento, CA 94234-7320
(916) 657-2941

December 8, 1997

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

Letter No: 97-59

**THE 1998 QUALIFIED MEDICARE BENEFICIARY/SPECIFIED LOW INCOME
MEDICARE BENEFICIARY (QMB/SLMB) STANDARD AND PARENTAL ALLOCATION**

Ref.: All County Welfare Directors Letter No. 96-67

The purpose of this letter is to inform you of the 1998 QMB/SLMB "Supplemental Security Income standard allocation" and the "parent allocation."

These allocations are based on the annual federal benefit rate (FBR) which is based on the Cost of Living Adjustment (COLA). The Standard Allocation increased from \$242 for 1997 to \$247 for 1998 (the couple FBR minus the individual FBR). The Parent Allocation for 1998 is determined as follows:

When there is earned, unearned income or a combination of income:

- o The parent allocation (if one ineligible parent lives with the child) is \$494 (FBR for an individual); and
- o The parent allocation (if both ineligible parents live with the child) is \$741 (FBR for a couple).

The 1998 Medicare Part A premium will drop to \$309 or \$339.90 with the ten percent penalty for late enrollment. For persons entitled to a reduced Medicare Part A premium (at least 30 quarters of coverage), the premium is \$170 or \$187 for late enrollment.

The Part A deductible is \$764. Coinsurance is \$191 a day for the 61st through the 90th day for each benefit period. For day 91 through 150, the rate is \$382 per day. Skilled nursing facility coinsurance is \$95.50 a day for the 21st through 100th day.

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The 1994 Medicare Part B premium is \$43.80. The Part B deductible is \$100 per year.

Please remember to disregard the Title II COLA for all poverty level programs except the Qualified Working Disabled Individuals (QWDI) program until the new federal poverty levels (FPLs) are in effect (April 1, 1998). Also note that the FPL chart that we publish each year is the net nonexempt income limit after the any income deduction of \$20 has been applied. This is not to be confused with the federal QMB/SLMB brochure or the QMB or SLMB Information Notices (MC 008 and MC 014) which in the past added the \$20 to the poverty level amount. We intend to change this when we update the MC 008 and the MC 014 (as of January 1998) and show the \$20 as a deduction to gross income.

If you have any questions regarding QMBs, please contact Marge Buzdas at (916) 657-0726. For questions regarding SLMBs and QWDIs, please contact Sylvia Finberg at (916) 657-0080.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch